

Ferries Division Overtime Policy

Overtime Policy

The mission of providing uninterrupted service is of paramount importance to the Ferries Division. In order to minimize impacts to service, there may be situations that require the use of overtime. While customer service is the top priority, the goal is to provide that service effectively and efficiently, at minimum cost. This policy sets forth guidelines for Ferries Division managers for the use in managing overtime.

It is the expectation that the people responsible for managing deck, terminal, engine department operations and the workforce at Eagle Harbor are familiar with relevant collective bargaining agreements. It is a further expectation that these managers use their best business judgment when making decisions to authorize discretionary use of overtime. As a part of the time sheet auditing process, overtime will be scrutinized to ensure it is consistent with the authorization process for each department as described below.

There are some circumstances in which overtime is unavoidable, and those are set forth in this policy. In all other cases, it is Ferries Division policy that all overtime must be authorized in advance. The following statement describes overtime policies for each department.

Operations Department

Overtime within all divisions of the Operations Department is driven by the expectation of continued service and system performance measurements. Collective Bargaining Agreements (CBAs) specify minimum overtime payments and how overtime is calculated. All division managers are expected to understand their respective CBAs and minimize overtime wherever possible. Listed below are the expectations of each manager within divisions of Operations.

Deck Operations:

1. Overtime required to be pre-approved:
 - a. Staff Master Program – scheduled for individual Staff Master of a vessel – for Shipyard, unscheduled maintenance, annual maintenance, sea trials – this is infrequent and is based on vessel maintenance schedules.
 - b. Port Townsend/Keystone supplemental service due to tide cancellations.
 - c. Make-up crews – not a permanent designated crew – only when the on-call pool is exhausted. This is a result of boat moves and sea trials based on requests

from Vessels Department. Employees dispatched at straight time may run into overtime, up to 2 hours, due to the engine room crews being scheduled for 12 hours – and Deck crews scheduled for 8 hours will be cause for overtime when sea trials run long.

- d. Unscheduled additional holiday service – not on printed schedule. This overtime is pre-planned and signed off by the Director of Operations.

2. Unavoidable Overtime:

- a. Dispatched Deck employees called out on their days off when there is no other available relief. This cannot be controlled in advance by Port Captains.
- b. When a vessel is late due to traffic, weather, customer emergencies, and breakdowns – this cannot be controlled by Port Captains.

Any overtime hour requires a reason code and a “ring off time” for each of the affected crew members of a vessel to validate the time they turn the vessel over to engine room or next Deck shift schedule.

Terminal Operations:

1. Overtime required to be pre-approved:

- a. Emergencies – Terminal Managers and Director of Operations will be contacted by the Operations Center 24 hours a day should an emergency require additional terminal staff.
- b. Unscheduled holiday service – not on printed schedule.
- c. Security Breach – contacted by Ops Center.
- d. Drug testing after a vessel incident or an employee injury (Supervisors only).
- e. Sick Leave relief when the on-call pool is exhausted.
- f. Dispatch for Terminal employees called out on their days off when there is no other available relief. Occurs only when the on-call pool is exhausted. This cannot be controlled by Terminal Managers and is managed and justified by on-site supervision.
- g. After-hour dispatching – Supervisors only - and usually if emergency. Supervisors are required to ensure adequate staffing at the terminal to meet operational needs. Employees occasionally call in sick after hours and the supervisor will document overtime for the dispatch time. Minimum of 1 hour, rarely more.

2. Unavoidable Overtime:

- a. Late departures causing terminal crews to work past scheduled hours.

- b. Vessel breakdowns – cannot be controlled by Terminal Managers or on-site supervision.
- c. Point of sale equipment failure at end of day requiring manual sales reports – cannot be controlled by Terminal Managers or on-site supervision.

Operations Center:

- 1. Overtime required to be Pre-approved:
 - a. Sick Leave replacement for Dispatchers and/or Watch Center Supervisors when year around relief is already assigned.
 - b. Vessel or Security Breach Emergencies causing extended shifts.

Any overtime hour requires a reason code. All timesheets are audited by the Port Captains for each pay period. Claims for overtime not justified by the situation are rejected.

- 2. Unavoidable Overtime

There are no situations in which overtime can be worked without prior approval.

Terminal Engineering Department

The use of overtime is to be minimized to the greatest extent possible while continuing to meet service and project delivery demands on Terminal Engineering. Overtime will be approved when there is a documented need for extended work coverage outside of normal work hours. Overtime requires prior approval from the appropriate supervisor at the Marine Project Engineer, Transportation Engineer 5 level or higher with the two exceptions noted below.

- 1. Overtime required to be pre-approved
 - a. Terminal Maintenance:
 - i. When a contractor's normal hours of operation exceed 8 hours per day or 40 hours per week, on-site inspection is required for all contract activities, and the cost of assigning added personnel exceeds the cost of overtime.
 - ii. When an emergency occurs that causes service disruption or failure outside of the normal hours of work, and repair of the facility requires the presence of the appropriate Facility or Maintenance engineer.
 - iii. When inspection at a facility can be accomplished less expensively in one long day rather than incurring additional travel time to and from the terminal for inspection (e.g. working 2 hours longer when there is a savings of over 3 hours of travel to and from the terminal).

b. Terminal Construction:

- i. When a contractor's normal hours of operation exceed 8 hours per day or 40 hours per week, on-site inspection is required for all contract activities, and the cost of assigning added personnel exceeds the cost of overtime.
- ii. When inspection at a facility can be accomplished in one long day rather than incurring additional travel time to and from the terminal for inspection (e.g. working 2 hours longer when there is a savings of over 3 hours of travel to and from the terminal).

c. Terminal Design:

- i. When necessary to meet project deadlines, and the cost of providing additional resources exceeds the short term duration of overtime.
- ii. When necessary to meet project deadlines and added resources are not available.

d. Terminal Programming:

- i. When necessary to meet short duration deadlines, and the cost of providing additional resources exceeds the short term duration of overtime.
- ii. When necessary to meet short duration deadlines and added resources are not available.

e. Terminal Environmental Permitting:

- i. When a contractor's normal hours of operation exceeds 8 hours per day or 40 hours per week, on-site inspection is required to ensure compliance with contract permits, and the cost of assigning added personnel exceeds the cost of overtime.
- ii. When necessary to meet permit deadlines and the cost of providing additional resources exceeds the short term duration of overtime.
- iii. When necessary to meet project deadlines and added resources are not available.

f. Terminal Administration:

- i. When deadlines create short term workload peaks and the cost of providing additional resources exceeds the short term duration of the overtime.

- ii. When deadlines create short term workload peaks and added resources are not available.

2. Unavoidable Overtime

- a. Exceptions to prior approval exist for maintenance engineers and technicians when on-call after hours and called out by the operations center for an event that disrupts service delivery. Approval of time worked will be obtained from the appropriate supervisor as soon as practicable, but no later than the following work day.
- b. Exceptions to prior approval exist for construction engineers and technicians when contractors work beyond their normal hours of operation and notification of inspection needs come outside the duration of the normal work day. Approval of time worked will be obtained from the appropriate supervisor as soon as practicable, but no later than the following work day.

Vessel Maintenance, Preservation, and Engineering Department

Maintenance Department overtime compensation is defined in four collective bargaining agreements; MEBA Licensed, MEBA Unlicensed, Puget Sound Metal Trades, and the OPEIU.

Port Engineers managing either fleet engine department operations or managing the workforce at Eagle Harbor are expected to be familiar with the respective collective bargaining agreements. It is a further expectation that these managers use their best business knowledge when making decisions with regard to authorizing discretionary use of overtime. During the process of auditing timesheets, the proper use of overtime will be scrutinized to ensure it is compensated appropriately under the respective labor agreement. All requested overtime that is approved or disapproved will be documented by the Port Engineer. Documentation shall include:

- The job classification and name of the person requesting the overtime
- The date the request was made
- The date the request was approved / disapproved
- The nature of the overtime request, e.g. Scope of work, hours anticipated
- The reason for the approval / disapproval

General Guidelines:

Managers responsible for approving overtime should exercise the following general guidelines when considering the use of discretionary overtime. These guidelines are given to assist approving authorities in making decisions about whether or not to approve overtime. Tiers are set with I being the most critical or time sensitive to III being the least critical or time sensitive.

Tier I -

- Vessel emergency that has caused loss of service
- Terminal emergency that has caused loss of service
- Vessel machinery casualty that requires repairs and loss of service is imminent
- Vessel moves that will result in crew overtime

Tier II -

- Vessel emergency that threatens loss of service
- Terminal emergency that threatens loss of service
- Vessel machinery casualty that requires repairs and threatens loss of service
- US Coast Guard regulatory required inspections such as Certificate of Inspections and drydock inspections

Tier III -

- Vessel emergency with no threatened loss of service
- Terminal emergency with no threatened loss of service
- Vessel machinery casualty with no threatened loss of service
- Meeting attendance
- Training instruction
- Technical support to the Port Engineers / Project Engineers

Operating Vessels and Terminals:

It is the Maintenance Department's policy that all discretionary overtime shall first be pre-approved by the Port Engineer responsible for that vessel or by the Port Engineer at Eagle Harbor for all craft scheduled overtime. Each Port Engineer shall utilize their management judgment regarding the nature of the overtime request, the need for the work, the cost of the work, and the expected benefit to the organization. They shall also consider if the requested work can be done alternatively at a lower cost, at a different time, or perhaps on straight time by other qualified personnel. They must also take into consideration the risks of not performing the work and what vessel or terminal service implications could result.

The following limited situations are assumed to be approved by the Port Engineer. When these situations occur, the respective collective bargaining agreements are clear as to the level of compensation.

1. Overtime required to be pre-approved:

Operating vessels and terminal events that may trigger overtime requests could include the following but are not necessarily limited to:

Tier I -

- Vessel emergency that has caused loss of service
- Terminal emergency that has caused loss of service
- Vessel machinery casualty that requires repairs and loss of service is imminent
- Vessel moves that will result in crew overtime
- Eagle Harbor Foreman called to dispatch crafts persons to an emergent vessel or terminal situation

Tier II -

- Dispatch covers vacancy with an engineer on overtime – happens in situations when straight time reliefs are all employed
- Vessel annual inspections for US Coast Guard certifications
- Vessel dry-dock inspection for US Coast Guard certifications
- Vessel technical support by the Staff Chief to the Chief Engineer on watch – could be a requested vessel visit or phone support.

Tier III -

- Vessel lay-up meetings for planning Eagle Harbor or commercial shipyard periods
- Staff Chief or Chief Engineer technical support to staff for vessel preservation/improvement planning meetings
- Staff Chief or Chief Engineer technical support / expertise for company initiatives
- Staff Chief or Chief Engineer technical support during agency external audits such as DNV external audit on the international vessels.
- Training instruction – technical training and new hire orientation
- Respirator fit testing program for Labor and Industries compliance

2. Unavoidable Overtime:

- a. Vessel off schedule – running late for a variety of reasons and the engine crew gets relieved past their official relieving time.
- b. Long shifts exceeding 12 ½ hours – necessary due to the sailing schedule
- c. On-call Oilers are paid overtime for the last 4 hours of their work week
- d. Temporary Assistant Engineers dispatched from union hall - paid overtime for any work beyond 12 hours in one shift and for the last 4 hours of their work week

Vessels in commercial shipyards or the Eagle Harbor Maintenance Facility:

It is the policy of the Maintenance Department to have procedures in place for scheduling overtime of personnel during vessel out of service availabilities to include commercial shipyard periods and at the Eagle Harbor Maintenance Facility. In order to ensure continued vessel reliability, it is generally the department's policy to keep engineering crews with their vessels. During long shipyard availabilities, partial de-crewing of a vessel may be considered. The value of this out of service time is maximized by performing many facets of the maintenance program. Vessel crews perform tasks that are both preventative and corrective; Eagle Harbor craftspersons perform intermediate maintenance tasks that cannot be performed when the vessel is on the run and in service; and Vessel Project Engineers manage vessel preservation and drydock contracts that occur in commercial shipyards.

Prior to a vessel entering a maintenance period, the Fleet Port Engineer and the Eagle Harbor Port Engineer (for Eagle Harbor availabilities), and the Preservation Project Engineer (for commercial shipyard availabilities) will confer and review the vessel's work scope. They will determine the appropriate staffing hours that are needed to accomplish the work. They should consider costs, schedule, and work scope in their analysis. The Fleet Port Engineer will set the Staff Chief's watch schedule to take advantage of the projected work plan and the Shipyards

work hours. Schedule options include keeping the Staff Chiefs on 7 x 12 hour days and week on /week off or moving to a 5 x 8 hour Monday through Friday schedule with the contractually required two week notice. In turn, the Staff Chief Engineer will present to the Fleet Port Engineer a work schedule for his crew while the vessel is in the yard. The work schedule must consider safety and security of the vessel, proper and safe manning of the engine spaces for the duration of the availability, the cost savings of traveling on watch if practical and the scope of the work that is scheduled to be accomplished. The Fleet Port Engineer shall review this crew schedule and approve, disapprove or make amendments to the schedule and return a copy to the SCE to serve as the approved crew work schedule while the vessel is in the yard.

Staff Chief Engineers are directed to send any requests for overtime along with appropriate documentation to the Fleet Port Engineer. The Fleet Port Engineer has responsibility to review, approve or disapprove, and document all SCE requested overtime related to Eagle Harbor work, vendor work, and any other non-shipyard work. The Preservation Project Engineer delegated by the Sr. Preservation Port Engineer, has the same responsibility in processing requested overtime for all shipyard related work. The documentation generated through this approval process will be utilized in the pay order audit process.

1. Overtime required to be pre-approved:

For vessels in commercial shipyards or in the Eagle Harbor Maintenance Facilities, events that may trigger overtime requests could include the following but are not necessarily limited to:

Tier I – None

Tier II -

- Vessel dry-dock inspection for US Coast Guard certifications.
- Witnessing inspections and testing verifying work on critical systems are performed in accordance with best marine practice and according to the shipyard contract / US Coast Guard requirements.
- Providing vessel technical expertise to the shipyard or their subcontractors
- Meeting and working alongside vendors that are installing new equipment or that are tasked with repairs, troubleshooting and maintenance of equipment.
- Overseeing critical equipment upgrades, overhauls, repairs.

Tier III -

- Witnessing tests and inspections that are required by the shipyard contract.

2. Unavoidable Overtime

There are no situations in which overtime can be worked without prior approval.

Vessel Inspectors working in Commercial Shipyards:

It is the policy of the Maintenance Department to have procedures in place for scheduling overtime of personnel responsible for inspecting the work during vessel out of service availabilities in commercial shipyard periods.

The Project Engineer managing the shipyard contract has responsibility to review, approve or disapprove and document all overtime related to the vessel inspectors working in commercial shipyards.

Events that may trigger overtime requests could include the following but are not necessarily limited to:

Tier I - None

Tier II -

- Vessel dry-dock inspection for US Coast Guard certifications.
- Witnessing inspections and testing verifying work on critical systems are performed in accordance with best marine practice and according to the shipyard contract / US Coast Guard requirements.

Tier III - None

1. Unavoidable Overtime

There are no situations in which overtime can be worked without prior approval.

Warehouse Teamsters in support of fleet operations:

It is the policy of the Maintenance Department to have procedures in place for scheduling overtime of warehouse Teamster personnel who are in support of fleet operations.

The Fleet Port Engineer responsible for the Warehouse has responsibility to review, approve or disapprove and document all overtime related to Teamster personnel.

1. Overtime required to be pre-approved:

Events that may trigger Teamster overtime requests could include the following but are not necessarily limited to:

Tier I -

- In support of a vessel emergency that has caused loss of service
- In support of a terminal emergency that has caused loss of service
- In support of a vessel machinery casualty that requires repairs and loss of service is imminent
- In support of Eagle Harbor crafts requesting parts / supplies after normal warehouse working hours who are in turn responding to a vessel / terminal casualty

Tiers II and III - None

2. Unavoidable Overtime

There are no situations in which overtime can be worked without prior approval.

OPEIU Staff Support

The manager responsible for the OPEIU staff member has responsibility to review, approve or disapprove and document all overtime related to the support staff.

1. Overtime required to be pre-approved:

Events that may trigger overtime requests could include the following but are not necessarily limited to:

- Work after normal work hours in support of necessary deadlines

2. Unavoidable Overtime

There are no situations in which overtime can be worked without prior approval.